

REMARKS/ARGUMENTS

Reconsideration of this application, in view of the foregoing amendment and the following remarks and arguments, is respectfully requested.

Claims 1-17, 24-37, 39-49, 51 and 53-74 are currently pending in this application, and the Examiner's allowance of Claims 1-9, 24-37, 40-49 and 53-59, and his indication that objected-to Claims 12, 17, 61-63, 68, 69 and 71-74 contain patentable subject matter, are noted with appreciation.

By the foregoing amendment the following action has been taken:

1. Clarifying amendments have been made to Claims 10, 17, 39, 51 and 64-68 to more clearly distinguish between the recited electromagnetic waves sent to the surface-disposed receiver, and the recited electromagnetic waves sent to the receiver portion of the well tool assembly; and
2. Claims 12, 17, 61, 62, 68, 69, 71, 72 and 74 have been rewritten in independent form to thereby clearly place all of the objected-to Claims 12, 17, 61-63, 68, 69 and 71-74 in a condition for allowance.

Accordingly, Claims 1-17, 24-37, 39-49, 51 and 53-74 remain in this application for consideration and allowance.

Claims 10, 11, 13-16, 39, 51, 60, 64-67 and 70 stand finally rejected under 35 USC §103(a) as being unpatentable over U.S. Patent 4,739,325 to MacLeod in view of More (EP 0 200 535 A2). This rejection is respectfully traversed for the following reasons.

Via independent Claims 10, 39 and 51, each of applicants' rejected Claims 10, 11, 13-16, 39, 51, 60, 64-67 and 70 specifies, in method or apparatus terminology as the case may be, a well tool assembly having a transmitter operative to transmit electromagnetic waves indicative of the value of a sensed parameter **directly through the earth** to a surface-disposed receiver. Neither of the MacLeod and More references discloses or suggests the transmission of electromagnetic waves from a well tool

assembly to a surface-disposed receiver directly through the earth as required by these claims.

Specifically, More discloses the transmission of electromagnetic control signals 22 from a surface-disposed transmitter 18 to subsurface actuating valves 16. As characterized by the Examiner, "MacLeod discloses an apparatus and method for transmitting signals to and from a downhole sensor 176,178 to an above-ground controller or receiver 252. The sensors sense a downhole parameter. A downhole transmitter sends electromagnetic waves through the ground and drill string to the above ground receiver." It is the Examiner's position that from the teachings of More it would be obvious to modify the MacLeod structure such that its downhole transmitting structure transmits electromagnetic waves directly through the earth to the above-ground controller or receiver 252.

It is respectfully submitted, however, that the MacLeod and More references are not properly combinable, and for that reason the Examiner has failed to establish the requisite *prima facie* case of obviousness of Claims 10, 11, 13-16, 39, 51, 60, 64-67 and 70. Specifically, this reference combination cannot be properly made since there is clearly no suggestion in the MacLeod and More references for making such combination. In fact, the MacLeod reference specifically teaches **away from** the Examiner's proposed combination because the disclosure in MacLeod teaches that the use of the drill string and drill collar to transmit electromagnetic signals therethrough to the above-ground controller or receiver 252 is **required** for the intended operation of the MacLeod downhole electromagnetic telemetry apparatus and method.

Specifically, as stated in the MacLeod specification beginning on line 7 of column 7 thereof, "The drill collar 13 and the drill string 12 provide a **necessary** electrically conductive path from the down-hole unit 40 to the surface instrumentation 42." Thus, MacLeod specifically teaches that the signals from the down-hole unit 40 should **not** be transmitted **directly through the earth** to the surface instrumentation 42.

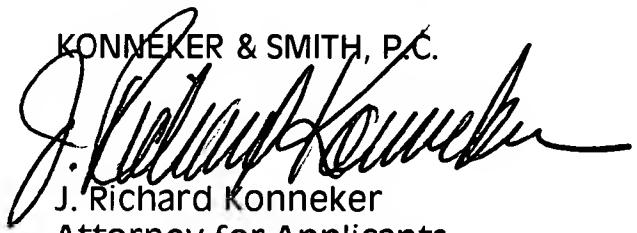
It therefore would clearly not be obvious to **ignore** this requirement set forth in MacLeod and substitute the surface unit transmission teachings of the More reference as proposed by the Examiner. Accordingly, it is respectfully submitted that none of applicants' Claims 10, 11, 13-16, 39, 51, 60, 64-67 and 70 is rendered obvious by the MacLeod and More references, and the Examiner's obviousness rejection of such claims should be withdrawn.

In view of the foregoing amendment, remarks and arguments, all of the claims currently pending in this application are now seen to be in a condition for allowance. A Notice of Allowance of Claims 1-17, 24-37, 39-49, 51 and 53-74 is therefore earnestly solicited.

The Examiner is hereby requested to telephone the undersigned attorney of record at 972/516-0030 if such would further or expedite the prosecution of the instant application.

Respectfully submitted,

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Dated: March 29, 2004

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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450,

on March 29, 2004
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